

# **2019 CARL MOYER PROGRAM OVERVIEW**



## **SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT**



### **PUBLIC WORKSHOP**

# Carl Moyer Program



- A voluntary grant program
- Co-funds the replacement of diesel-fueled heavy-duty vehicles, engines and equipment
- Accelerates the commercialization of the cleanest technologies
- Reduces air pollution impacts in disadvantaged and low-income communities



# Carl Moyer Funding Sources

**SCAQMD Allocation**  
**~\$26 Million Annually**



**Smog Abatement Fee**  
**(No sunset date)**



**Tire Fee**  
**(Sunsets in 2023)**



**Local Match**  
**~\$4 Million Annually**



**AB 923 and other local  
funding sources**

# Core Principles



- Project must result in emission reductions that are:
  - Quantifiable, surplus, enforceable and permanent
  - Not required by any federal, state or local regulation, MOA/MOU, settlement agreement, mitigation requirement or other legal mandate
  - Cost-effective (at or below \$30,000/ton)
- The emission reduction technology must be certified or verified by CARB, U.S. EPA or International Maritime Organization

# What's New?



**SB 856**  
(Signed by  
Governor in  
June 2018)

- \$245 million allocated for financial incentives for California
- Focus on AB 617 Community Emission Reduction Plans
- SCAQMD anticipates availability of SB 856 funds for this year's Carl Moyer Program but the amount is *not yet determined*

**AB 1274**  
(Signed by  
Governor in  
October 2017)

- Postponement of smog check for new vehicles by 2 years
- Additional \$4 million in funding available for this year's Carl Moyer Program



# What's New? (Cont'd)



## Compliance with Labor Laws

- Applicants eligible for Carl Moyer Program funds will be required to provide:
  - Information on any labor violations within the past three years
  - If awarded a contract, applicants must complete yearly certification (due with annual reports) stating if they have violated labor laws
  - SCAQMD reserves the right to terminate contract with contractor found to have violated labor laws

# Carl Moyer Project Types



## On-Road Heavy-Duty Vehicles:

- Trucks (drayage and other)
- Transit buses
- Solid waste
- Public agency/utility vehicles
- Emergency vehicles (e.g., fire apparatus)



## Off-Road Equipment:

- Construction equipment
- Agricultural tractors
- Marine vessels (incl. shore power)
- Locomotives
- Cargo handling equipment



## Infrastructure

# Project Types



## Replacement

- Replacement of an older, dirtier vehicle/equipment with a newer, cleaner one

## Repower

- Replacement of an in-use engine with a new, cleaner engine

## Retrofit

- Installation of CARB-verified emission control device for an in-use engine, vehicle or piece of equipment

**Voucher Incentive Program (VIP) – For smaller fleets of 1-10 trucks only ([www.aqmd.gov/vip](http://www.aqmd.gov/vip))**

- Streamlined process where a voucher is issued for replacement of an on-road heavy-duty truck with a cleaner model



# Program Information



- **Cost-effectiveness Limit - \$ 30,000/ton**
  - Higher limit (\$100,000/ton) for projects meeting an optional standard and zero emission technology
- **Vendor quotes dated within the last 90 days must be submitted with the application**
- **Executive orders must be provided with application and include the engine family for the proposed engine**
- **In operation within 18 months of contract execution**
- **Applicant is responsible to ensure compliance with new information posted on CARB or SCAQMD websites**
- **If regulation is adopted/updated prior to contract execution, project will be re-evaluated against the updated regulation**

# General Criteria



- Fleets subject to an in-use regulation must provide documentation that demonstrates compliance with that regulation
- The CMP will take credit for all emission reductions achieved as a result of funding approved projects
- The emission reductions from a CMP project may not be used for regulatory compliance
- Funding cannot exceed the project's incremental cost (defined as maximum percentage of eligible costs)
- Contract term will cover the full “project life” that was used to evaluate the project



## General Criteria (cont'd)



- Minimum 75% operation in the SCAQMD (unless otherwise stated in source categories in CMP guidelines)
- Non-public entities must provide at least 15% of the Moyer eligible costs from non-public sources
- Moyer funds cannot be used to pay for energy or fuel costs
- Spark ignited engines may not be replaced with diesel engines
- Repower and replacement projects must achieve at least a 15% NO<sub>x</sub> reduction



# Required Pre-Inspection



**Projects MUST be pre-inspected prior to any work commencing**

- Verification the existing equipment is fully operational
- Have appropriate engine and chassis tags which are clearly legible
- Have appropriate working meters to verify hours or mileage claimed in the application

**Documentation that the fleet is in compliance with applicable rules or regulations**

**Failure to obtain a pre-inspection will result in contract cancellation and loss of awarded funding**

# Required Post-Inspection



A post-inspection must be conducted prior to payment of an invoice

It is the applicant's responsibility to contact the SCAQMD Project Officer to request this inspection

Fully operational

The post-inspection verifies that new equipment/engine is consistent with the reduced technology specified in the application

# Pre-Dismantle Inspection



Applies to on-road projects only

Old vehicle/engine must be delivered to an SCAQMD-approved dismantler (within 60 days after receipt by the dealer)

Contractor (or dealer) must notify SCAQMD in writing when the old vehicle is ready for pre-dismantle inspection

SCAQMD inspector will verify the vehicle is in similar condition as found in the pre-inspection and has not been stripped of parts

To improve efficiency, Contractor (or dealer) should coordinate the pre-dismantle inspection at the same time as post-inspection



# Dismantle/Salvage Inspection



**Applies to all projects**

**Contractor shall ensure a salvage inspection of each old vehicle / engine / equipment is completed by SCAQMD**

**Contactor (or dealer) shall notify SCAQMD in writing upon delivery of the old vehicle / engine / equipment to dismantler**

**SCAQMD inspector will verify the equipment has been destroyed in accordance with the Carl Moyer Program Guidelines**

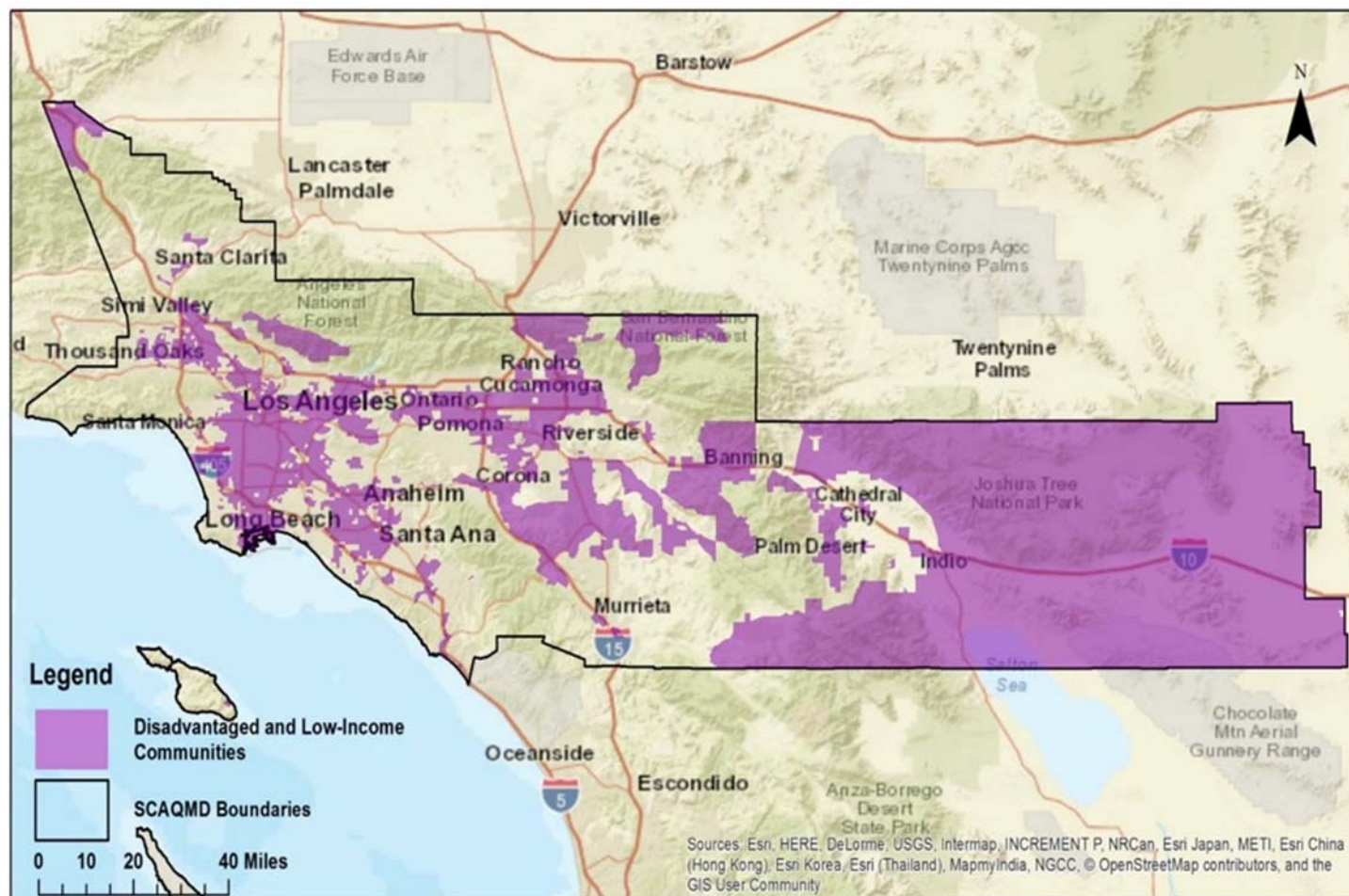
# How Will Projects Be Funded?



- All projects must meet the applicable cost-effectiveness limit
- Disadvantaged and low-income communities:
  - Carl Moyer Program (SB 1107) – at least 50% of Program funds
  - Anticipated funding from the Community Air Protection Program (SB 856) – will prioritize projects that are identified in AB 617 Community Emission Reduction Plans
- Projects will be first selected (and ranked based on cost-effectiveness) based on benefits to disadvantaged and low-income communities, as defined by:
  - CalEnviro Screen – a software tool established by California EPA
  - Funding Guidelines for Agencies that Administer California Climate Investments, established by CARB
- Remaining projects will compete based on cost-effectiveness



# Map of Disadvantaged and Low-Income Communities






# Grantee Reporting Requirements



- Annual reports are **MANDATORY** for the life of the project
- Failure to report can result in the following:
  - Legal action to recover all or part of the funding provided by the Carl Moyer Program
  - “Grantees that have not submitted complete required reports will not be granted funds for new Moyer Program projects until all reports are satisfactorily submitted.” (2017 CMP Guidelines, Chapter 3, page 3-37)

# Reporting Requirements (Cont'd)


- Contractor must provide basic information to verify operation of the funded-equipment:

 South Coast Air Quality Management District  
Carl Moyer Program  
**Annual Report Form**

CONTRACTOR NAME: \_\_\_\_\_ SCAQMD CONTRACT #: \_\_\_\_\_  
ADDRESS: \_\_\_\_\_ EMAIL: \_\_\_\_\_  
PHONE: \_\_\_\_\_  
REPORTING PERIOD (MM/DD/YYYY to MM/DD/YYYY): \_\_\_\_\_

Equipment ID#	Location of Equipment (City & Zip)	% of Time SCAQMD Boundaries	For ON-ROAD Equipment - Use ODOMETER For OFF-ROAD Equipment - Use HOUR METER				CALCULATED USAGE ENDING - BEGINNING Readings
			BEGINNING Date	READING	ENDING Date	READING	

Please describe any major repairs, maintenance, unforeseen circumstances or problems that significantly affected the operation of the equipment(s):  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I, the undersigned, certify that the above information is true and correct. 

PRINT NAME: \_\_\_\_\_ SIGNATURE: \_\_\_\_\_  
TITLE: \_\_\_\_\_ DATE: \_\_\_\_\_

Please use additional sheets as needed.  
Return to: South Coast Air Quality Management District, 21865 Copley Drive, Diamond Bar, CA 91765

REV 4/2018

**Number of hours operated or miles driven during the report period (must provide meter readings and date recorded)**

**Percentage of time the equipment was operated within the SCAQMD**

**Any comments on equipment performance, including any major repairs or downtime**



# Other Requirements



- Records must be kept for 3 years after project completion
- Subject to audit by SCAQMD and CARB
- On-site audits if annual reporting is not submitted
- All annual reports must be submitted in order to close out the contract
- If any questions, contact your assigned SCAQMD Project Officer



# Information Resources



**SCAQMD's Carl Moyer Program Website:**

**[www.aqmd.gov/moyer](http://www.aqmd.gov/moyer)**

**CARB's 2017 Carl Moyer Program Guidelines  
(approved by their Board on 4/27/17):**

**<https://www.arb.ca.gov/msprog/moyer/guidelines/current.htm>**

# Deadline for Submittal



All paper applications must be received at SCAQMD  
Headquarters by no later than:

**Tuesday, June 4, 2019**  
**by 1:00 pm**

(Fax or e-mail proposals will not be accepted)

Electronic submittals using SCAQMD's CMP Online Application  
Program (OAP) is preferred and available at:

[www.aqmd.gov/moyer](http://www.aqmd.gov/moyer)